



MONTANA TEACHERS' RETIREMENT SYSTEM

PO BOX 200139

HELENA, MT 59620-0139

TELEPHONE NO. (406) 444-3134

FAX NO. (406) 444-2641

TO: School Clerks and Business Officials

FROM: Montana Teachers' Retirement System (TRS)

DATE: June 16, 2003

SUBJECT: HB 178 – Allow Certain TRS RETIRED MEMBERS To Work Without Loss Of Benefits

HB 178 allows a retired teacher, specialist or administrator, who has been retired for at least 12 months to be reemployed for a school year full-time, without loss of their TRS benefits. "Schools" under this proposal are limited to K-12 school districts, the Pine Hills Youth Correctional Facility, the Riverside Youth Correctional Facility, and the Montana School for the Deaf and Blind. The University System is excluded.

HB 178 - Provisions/Restrictions:

- School must provide evidence to the Office of Public Instruction **each year** verifying that they did not receive any applicants for the vacant position or that the applicant offered the position declined the offer.
- Retirees must have been retired and receiving retirement benefits for at least 12 months prior to being reemployed by the school.
- HB 178 "sunsets" after three years.
- Eligible employers would continue to contribute 7.47% of the retiree/employee's salary to the Teachers' Retirement System.
- Rehired retired members would continue to receive 100% of their retirement benefit in addition to their salary as a teacher, specialist or administrator. The retiree would not contribute to TRS.
- A rehired TRS retiree may not be reemployed in subsequent years unless the district can again verify that they did not receive any applicants for the vacant position or that the applicant offered the position declined the offer.

Employers are required to include any retired member rehired under this proposal on the "Working Retiree" page of their regular monthly report to TRS under the status of "Z". Employers must also remit to TRS a copy of the signed contract as soon as the contract has been completed.